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*by
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Preface

The National Urban Coalition has worked as an advocate for community development, education, leadership, and coalitions that improve the quality of life for families in urban communities since it was founded in 1967.

The National Urban Coalition supports those measures which encourage people to connect to each other and facilitate education, employment and health.

Our comments in this document primarily concern the Internet. Any discussion about universal service delivery that does not consider Internet connectivity is ignoring that computer networks are at the heart of our communications infrastructure. Those of us in communications must remember that all networks connect groups of people to each other. "Network" itself is not a computer science term, it is a linguistic term. So radio networks connect people via the radio; the telephone network connects people via the telephone; and computer networks (such as the Internet) connect people via the computer. The Internet and home computers are just as much communications devices as the radio and telephone and must be considered when discussing what services to deliver universally through our National Information Infrastructure.

Summary of NUC Comments

The Joint Board should require carriers to provide a flexible minimum data transmission standard for Lifeline Assistance Program recipients and people in rural areas and central cities. This furthers the goals of the Telecommunications Act of 1996 by assuring that people in communities with the lowest telephone penetration will have access to "rapid, efficient, nation-wide and world-wide wire and radio communication service."

1. Those on Lifeline should receive the same quality service as those who are not.¹
2. The standard will be driven by market forces and is competitively neutral.²
3. Quality service, Access to advanced services, and Competitive neutrality cannot be assessed without stating a minimum standard for data transmissions.³

Public education initiatives should be established to inform the public of their new options in wire and radio services.

Carriers receiving universal service support and providing Lifeline service should not be able to disconnect phone service for non-payment of toll charges.

¹ See section titled Access in Rural Areas and Central Cities.

² See section titled Guidelines for this Standard.

³ See section titled Advanced Services Mean Data and Voice-grade Communications.

The Urban Coalition Recommends That A Minimum Data Transmission Standard Be Established In Each Carrier's Service Area.

The Telecommunications Act of 1996 which, as part of its goal to "provide open access", charges the Federal Communications Commission to "make available, so far as possible, to all the people of the United States without discrimination on the basis of race, color, religion, national origin, or sex a *rapid, efficient*, Nation-wide, and world-wide wire and radio communication service with *adequate facilities*⁴ at *reasonable* charges." To achieve this in data-grade communications, a minimum bandwidth standard must be called for specifically.

The demand for ever-increasing bandwidth is being driven by business users including SOHO (small office/home office) firms, so in most cases the market would provide this minimum standard automatically. The loophole is created by the Joint Board's recommendation that those on Lifeline should not be disconnected for non-payment of toll charges.

If that recommendation is adopted then there should also be an assurance that the quality of these lines will be consistent with the quality of the lines available to consumers who are not eligible for Lifeline Assistance.

Current policies make it possible for schools and libraries in rural and central city communities to be connected to the Internet at speeds that will likely be faster than typical household connections, but they make no incentives for determining a minimum bandwidth standard for households in those communities. This is the equivalent of putting touch-tone phones in the schools but only allowing rotary (or pulse) phones at home.

Guidelines for this Standard

To assure that a minimum data transmission standard is competitively neutral, it should be based upon the typical connection speed of households in the carrier's service area. For example: if most users (who are not eligible for Lifeline Assistance) in an area connect to the Internet using a 28.8K fax/modem but the communication carrier is able to provide a 128K (ISDN) connection then the minimum standard should still be 28.8K. This assures that those who are eligible for Lifeline Assistance will be able to get the same minimum standard data services available to the typical household in a carrier's service area. However when typical usage does rise to 128K for households in that carrier's service area, those who are eligible for Lifeline Assistance should not be relegated to the antiquated 28.8K standard any more, they should also get the 128K.

The Telecommunications Act of 1996 requires that "low-income consumers and people in rural, insular, and high cost areas have access to basic and *advanced telecommunications services* at rates comparable to those charged in urban areas."⁵

⁴ Emphasis added.

⁵ The Next Generation of Universal Service: Recommendations of the Federal-State Joint Board on Universal Service. Benton Foundation, 1996.

This minimum data transmission standard, which is based on typical connectivity speeds in each carrier's service area, does not favor land-based or air-based transmissions but guarantees a equitable relationship between the low-end and high-end of data communications services in each locality.

Advanced services means data and voice-grade communications

The Joint Board has recommended that voice-grade communications are available to all people, but this does not qualify as an "advanced service" in a country that enjoys practically universal telephone service delivery. The communication channels of today and tomorrow must be able to transmit not only voice, but data at ever increasing rates.

This minimum data transmission standard is in accordance with the seven general principles that the Joint Board must consider, and it is especially consistent with #1, #2 and #7 listed below.

1. Quality service should be available at affordable rates.
2. Access to advanced services should be provided in all regions of the nation.
3. Access in rural and high cost areas should be provided.
4. All providers of telecommunications services should make contributions to universal service.
5. There should be specific, predictable, and sufficient federal and state mechanisms to preserve and advance universal service.
6. Elementary and secondary schools and classrooms, health care providers, and libraries should have access to advanced telecommunications services.
7. Competitive neutrality ensures policies that encourage competition without regard to type of communications carrier.

Access in Rural Areas and Central Cities

Without specifically setting this minimum standard for data transmission speeds it may be possible for people on Lifeline Assistance and people in rural areas and central cities to be relegated to a sub-standard data transmission bandwidth that does not keep pace with information delivery technology. This would allow for a type of information redlining of those communities that would be deleterious to our overall National Information Infrastructure and to those local economies.

Research done by the **National Telecommunications and Information Authority**⁶ reveals that:

- ▶ “Many of the groups that are most disadvantaged in terms of absolute computer and modem penetration are the most enthusiastic users of on-line services that facilitate economic uplift and empowerment.”
- ▶ “Low-income, minority, young, and less educated computer households in rural areas and central cities appear to be likely to engage actively in searching classified ads for employment, taking educational classes, and accessing government reports, on-line via modem.”

Universal Service delivery as defined from 1934 to 1996 has lead to a telephone in virtually every home in America, but in the poorest urban and rural areas one out of five homes (20.2 percent urban households with income under \$10,000 and 18.4 percent rural households with income under \$10,000) still do not have a telephone. Yet it is clear that without the national policy incentive in favor of connectivity, far fewer homes would have ever been connected to the telephone network.

Similarly far fewer homes will be connected to the Internet if the ability to be connected at a useful speed is not made available to them. Currently anyone who has a modem may be connected to the Internet at varying speeds but as more advanced services become available the need for greater bandwidth will also increase. Their degree of access should remain consistent with those increases.

The National Urban Coalition agrees with the Joint Board that:

Low-income consumers should have access to the same services designated for support for rural, insular, and high cost areas.

Carriers receiving universal service support and providing Lifeline service should not be able to disconnect phone service for non-payment of toll charges.

Core services pursuant to section 254(c)(1) should include:

- Dual-tone multi-frequency (DTMF) signaling (touch-tone).

- Access to emergency services

- Access to operator services

- Access to directory assistance

- Access to interexchange (IXC) services (long-distance).

- *(however this must be amended to include a minimum data transmission standard)

⁶ Falling Through the Net: A Survey of the “Have Nots” in Rural and Urban America. -US Department of Commerce, National Telecommunications and Information Administration, July 1995.

Affordability should be defined considering carrier rates, cost of living, customer income level, and other factors that may vary locally.

The National Urban Coalition agrees with the recommendations of the Benton Foundation, the National Council of La Raza and other public interest groups that:

Universal service delivery should include a graduated disconnection system providing three tiers of service (except that essential services should be defined as the Joint Board has defined "Core Services").

Universal service delivery cannot be accomplished without public education about phone services and options available to them. This education should be funded by the carriers.